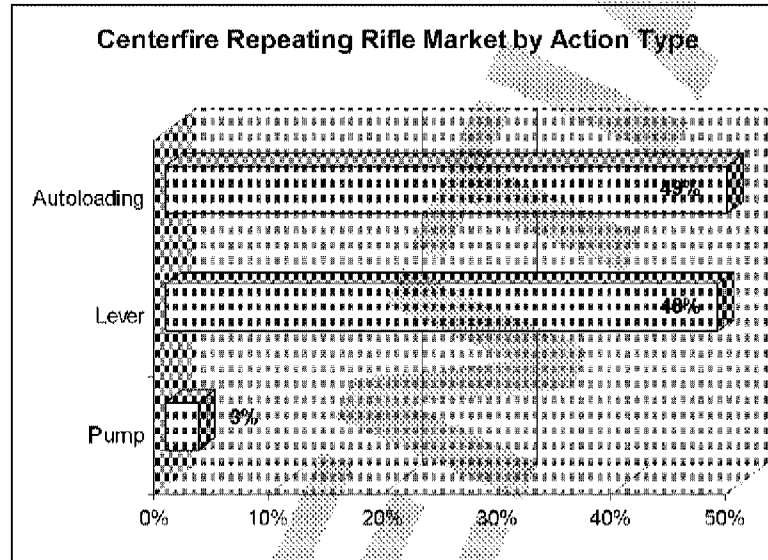


The centerfire repeating rifle category is comprised of three basic action types: Autoloading, Pump and Lever. A breakdown by action type is as follows:



The overall centerfire repeating rifle market picture is not a pretty one, especially for Remington. Volumes across the category have diminished, particularly in the pump and autoloading rifle categories in which Remington competes. Perhaps the most significant and overwhelming reason for this decline in market size is the popularity of bolt-action centerfire rifles. This environment has been created by the rising prices of repeating centerfire rifles and compounded by the increasing number of affordable bolt-action centerfire rifles in the market.

### Remington Segment Performance

Remington participates in the category with the Model 7400 series of autoloading centerfire rifles and Model 7600 pump action centerfire rifles. Sales volume in 2002 for the entire category totaled 23M units and accounted for \$7.9MM in revenue. These figures account for a 18% decrease in the category from 2001 sales levels.

| Model 7400             | 1999   | 2000   | 2001   | 2002   | 2003  | 2004   |
|------------------------|--------|--------|--------|--------|-------|--------|
|                        | Actual | Actual | Actual | Actual | FCST  | Budget |
| Unit Sales (M)         | 27.2   | 24.0   | 19.5   | 16.0   | 12.6  | 20.6   |
| Sales Dollars (\$MM)   | \$8.8  | \$8.1  | \$6.8  | \$5.6  | \$4.3 | \$7.1  |
| Standard Margin (\$MM) | \$3.6  | \$3.5  | \$2.8  | \$2.1  | \$1.5 | \$2.7  |
| Standard Margin (%)    | 40.5%  | 42.8%  | 40.4%  | 37.9%  | 35.2% | 38.4%  |
| Model 7600             | 1999   | 2000   | 2001   | 2002   | 2003  | 2004   |
|                        | Actual | Actual | Actual | Actual | FCST  | PO     |
| Unit Sales (M)         | 12.6   | 11.3   | 8.5    | 7.1    | 10.8  | 9.0    |
| Sales Dollars (\$MM)   | \$3.8  | \$3.7  | \$2.7  | \$2.3  | \$3.6 | \$3.1  |
| Standard Margin (\$MM) | \$1.4  | \$1.5  | \$1.0  | \$0.8  | \$1.4 | \$1.3  |
| Standard Margin (%)    | 38.0%  | 40.4%  | 38.4%  | 36.3%  | 38.8% | 41.0%  |